

Date Mailed August 19, 2002

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

In the Matter of Prescribing a Uniform System of Accounts
for Class A and Class B Telephone Utilities

05-US-113

NOTICE OF INVESTIGATION

Comments Due: Friday, September 20, 2002 -- Noon	Address Comments To: Lynda L. Dorr Secretary to the Commission Public Service Commission of Wisconsin P.O. Box 7854 Madison, WI 53707-7854
Fax Due: Thursday, September 19, 2002 -- Noon	

THIS IS AN INVESTIGATION to determine whether changes should be made to the Uniform System of Accounts (USOA) for Class A and Class B telephone utilities as a result of a Federal Communications Commission (FCC) order released November 5, 2001, in CC Docket Nos. 00-199, 97-212, and 80-286.¹ The FCC's changes to Part 32 of its rules will generally be effective January 1, 2003, for incumbent local exchange carriers (ILECs). This investigation is conducted pursuant to Wis. Stat. §§ 196.02(1), 196.06, and other provisions of Wis. Stat. ch. 196 as may be pertinent hereto.

By order dated October 1, 1987, in docket 05-US-102, the Commission adopted and prescribed, with certain amendments, the USOA, as set forth in FCC docket 78-196, for use by the Class A and Class B telephone companies under its jurisdiction. This Commission by supplemental orders in docket 05-US-102 dated May 2, 1989, February 6, 1990, June 17, 1993, July 15, 1994, October 31, 1995, December 22, 1997, and March 24, 1999, prescribed amendments to this system of accounts.

On July 24, 2002, Commission staff held an informal meeting, attended by many telephone provider representatives, to discuss possible revisions to this system of accounts.

¹ In the Matter of 2000 Biennial Regulatory Review – Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers: Phase 2 (CC Docket No. 00-199), Amendments to the Uniform System of Accounts for Interconnection (CC Docket No. 97-212), Jurisdictional Separations Reform and Referral to the Federal-State Joint Board (CC Docket No. 80-286), and Local Competition and Broadband Reporting (CC Docket No. 99-301), Report and Order in CC Docket Nos. 00-199, 97-212, and 80-286 and Further Notice of Proposed Rulemaking in CC Docket Nos. 00-199, 99-301, and 80-286, adopted October 11, 2001, and released November 5, 2001. An errata order in these same dockets was adopted and released by the FCC on January 17, 2002, and January 18, 2002, respectively. An Order on Reconsideration in CC Docket No. 00-199 was adopted and released by the FCC on March 6, 2002, and March 8, 2002, respectively.

Commission staff prepared an analysis concerning this issue to facilitate discussion at such meeting. The analysis, as well as other pertinent documents, is available on the Commission's Web page at <http://psc.wi.gov/telecom/newsinfo/usoa/teleusoa.htm>.

NOTICE IS GIVEN that comments concerning possible revisions to the USOA for Class A and Class B telephone utilities should be filed with the Commission. Comments must be received by **noon on Friday, September 20, 2002**. Comments by fax are due one day earlier. Parties should submit an original and 15 copies of their comments as indicated in the box on page 1. Fax filing cover sheets must state "Official Filing" and include the docket number and the number of pages (limit of 20 pages). File by one mode only. Comments shall provide as many specifics as possible, including suggested language for the USOA, concerning the following list to facilitate resolution of this matter.

1. The Phase 2 Further Comments of the Public Service Commission of Wisconsin filed with the FCC on July 12, 2001, in CC Docket No. 00-199.
2. Whether the Commission should adopt 47 C.F.R. § 32.27, Transactions with Affiliates.
3. What consideration, if any, the Commission should grant ILECs subject to dual jurisdiction of the FCC and this Commission.
4. Commission staff analysis prepared for discussion purposes on July 24, 2002.²

Subsequent to receipt and consideration of any filed comments, the Commission anticipates that it will issue an order adopting revisions to the USOA for Class A and Class B telephone utilities, effective January 1, 2003, simultaneous with the implementation date for the FCC's changes.

The Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of ILECs. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an investigation will be assessed against and collected from ILECs in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should

² The staff analysis contains several issues addressed in the Commission's Final Decision dated November 16, 2001, in docket 1090-TI-100, Investigation of Possible Improper Subsidization by Chibardun Telephone Cooperative, Inc., of its Subsidiaries and of Possible Related Violations. At its open meeting on August 15, 2002, the Commission determined that the issue concerning accounting for cooperative's patronage capital should be addressed outside of this investigation; Chairperson Ave Bie dissented with respect to revisiting the patronage capital issue.

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contact the docket coordinator listed below. Electronic versions of various documents related to this matter have been posted on the Commission's web page at <http://psc.wi.gov/telecom/newsinfo/uso/teleuso.htm>.

Questions regarding this matter may be directed to docket coordinator Kevin H. Klingbeil at (608) 267-9504.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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